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Assembly
California Legislature

CARL DEMAIO
ASSEMBLYMEMBER, SEVENTY-FIFTH DISTRICT

September 14, 2026

The Honorable Malia M. Cohen
California State Controller
300 Capitol Mall
Sacramento, CA 95814

Re: Mandatory duty to audit and verify claims before public money leaves the Treasury

Controller Cohen,

The California Constitution and the Government Code do not make the Controller a ceremonial signer of checks. They make the Controller the last legal gate before taxpayer money leaves the Treasury.

Article XVI, Section 7 of the California Constitution provides that money may be drawn from the Treasury only through an appropriation made by law and upon a Controller's duly drawn warrant.

Government Code section 12410 is mandatory: "The Controller shall superintend the fiscal concerns of the state. The Controller shall audit all claims against the state, and may audit the disbursement of any state money, for correctness, legality, and for sufficient provisions of law for payment."

Government Code section 925.6 is equally mandatory: "The Controller shall not draw their warrant for any claim until the Controller has audited that claim in conformity with law…" Government Code section 14 states that "shall" is mandatory. The Attorney General has already construed this duty. In Opinion No. 87-1204, the Department of Justice concluded that the Controller must examine claims, investigate them, and determine that payment is lawful before a warrant is issued.

That duty does not run to the spending agency. It runs to you. An attestation from the department requesting the payment is not an independent audit by the Controller. A cabinet agency certifying its own claim is the fox attesting that the henhouse is in order. Review by the Legislature or the State Auditor does not repeal section 12410. A statement that the office "just can't conduct the audits" is an admission that the mandatory duty is not being performed.

The public record under your tenure is inconsistent with that duty. You told voters you would audit homelessness spending, the Employment Development Department, and the Department of

Motor Vehicles. You later told the Los Angeles Times you did not audit EDD or the DMV because other bodies were already looking. Concurrent review by someone else is not the constitutional standard. Your spokesman, Bismarck Obando, stated on video released by O'Keefe Media Group that critical audits "are not getting done" and "we just can't conduct the audits." California's annual financial reporting has repeatedly missed the federal Single Audit window. Late books are not paperwork inconvenience. They are evidence that the chief fiscal officer is not superintending the fiscal concerns of the state as required.

Californians are asked to accept nine-figure and ten-figure payments to departments, contractors, regional centers, and nonprofit intermediaries with no showing that the Controller independently verified legality, appropriation, and support for each claim before the warrant issued.

We request a written response within 14 days addressing the following:

1. The number of claims paid in Fiscal Years 2023–24, 2024–25, and 2025–26, and the number of those claims that received a field or detailed audit under Government Code section 12410 before the warrant issued.

2. A list of performance and compliance audits completed by the Controller's office since January 2023 covering homelessness programs, EDD, DMV, Medi-Cal related disbursements, and nonprofit recipients of state funds.

3. The written policy, if there is any, under which the office accepts an attestation from the requesting agency—or from a vendor or grantee—in place of the claim audit required by sections 925.6 and 12410.

4. An explanation of how a warrant can be "duly drawn" under Article XVI, Section 7 if the underlying claim was not audited by the Controller, as opposed to certified by the agency asking to be paid.

If the office cannot produce that verification, we look forward to the reasoning as to why. The Constitution did not create a Controller so Sacramento could pay first and ask questions never.

Sincerely,

Carl DeMaio
Assemblyman, District 75

Alexandra Macedo
Assembly Republican Leader

Stan Ellis
Assemblyman, District 32

David Tangipa
Assemblyman, District 8

Tri Ta
Assemblyman, District 70

Natasha Johnson
Assemblywoman, District 63

Kate Sanchez
Assemblywoman, District 71

Leticia Castillo
Assemblywoman, District 58